

*"Our strategic planning sessions proved a valuable exercise on multiple levels, pulling the company forward." Heidi Wood, Administration Manager*

## Fast-Growing Company Gains Strategic Direction

**ABOUT.** CHUTES International delivers quality debris removal systems to general contractors, architects, and building owners. The company started producing heavy duty steel chutes in 1989 and grew to include durable plastic chutes and internal chutes for trash and laundry, as well as compactors for recycling and odor control systems. CHUTES International is based in White Planes, Maryland, and has 50 employees.

**THE CHALLENGE.** CHUTES made a strong recovery from the recession, doubling sales revenue over four years. Expecting to double revenue again in five years, the leadership team needed to define the company's strategic direction for the first time. Capacity issues meant CHUTES had to prioritize relocation and the company was considering moving out of state. The Maryland Manufacturing Extension Partnership (MDMEP), a NIST MEP affiliate, had a small window of opportunity to address the company's growth objectives. It stepped in to conduct strategic planning sessions based on former General Electric CEO Jack Welch's proven methodology, outlined in his bestseller *Winning*.

**MEP'S ROLE.** Through the planning sessions, the CHUTES leadership team chose four strategic imperatives for the company: facility expansion, strategic growth, building for the future, and nurturing core values. First, it decided to invest in larger facilities and laser/press brake equipment. It secured a loan from the bank and found a new space in Charles County, Maryland, minimizing a potentially disruptive move. Next, the team identified an opportunity to triple its existing internal chute dealer base in selected regional markets nationwide. It found additional opportunities for export sales, and the company hired a new seasoned Sales Manager to spearhead its expansion and market penetration goals.

As part of the "building for the future" imperative, CHUTES International is moving to a single business platform, selecting the M1 Business System to improve product margins and customer relations and increase efficiency, accountability, tracking, and communications. The use of real-time factual data not only facilitates Lean best practices and performance management systems, but also configures products and bundled product offerings. Finally, the company is engaged in internal discussions on how best to nurture the entrepreneurial spirit and family values that made CHUTES successful, focusing on hiring practices, skills training, and organizational development.



## RESULTS



Secured **\$4M** loan for a larger facility in Maryland



Hired new Sales Manager with plans to triple the installed dealer base



Invested **90K** in single business platform

## NEXT STEPS



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